

**GOVERNMENT OF INDIA
AGRICULTURE
LOK SABHA**

STARRED QUESTION NO:166

ANSWERED ON:04.12.2006

INDEBTEDNESS OF FARMERS

Gawali Smt. Bhavana Pundlikrao; Kanodia Shri Mahesh Kumar

Will the Minister of AGRICULTURE be pleased to state:

- (a) Whether huge burden of agricultural debt has been identified as the major cause of suicide by farmers ;
- (b) If so, whether the National Commission on Farmers headed by Dr. M.S. Swaminathan has suggested loans to farmers at lower rate of interest and also waiver off interest and principal of loan on certain category of farmers ;
- (c) If so, the details thereof and the reaction of the Government thereto ;
- (d) Whether the Radha Krishnan Expert Group and Hannumantha Rao Committee constituted in this regard have submitted their final report ;
- (e) If so, the details of the recommendations made therein alongwith the action taken thereon;
- (f) Whether the farmers who had outstanding debts have been excluded from the special package declared by the Government for farmers in drought prone areas ;
- (g) If so, the reasons therefor; and
- (h) The action proposed to be taken by the Government to include the indebted farmers in this package?

Answer

MINISTER OF THE STATE IN MINISTRY OF AGRICULTURE (SHRI SHARAD PAWAR)

(a) to (h): A statement is laid on the Table of the House.

STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (h) OF LOK SABHA STARRED QUESTION NO.166 DUE FOR REPLY ON 4TH DECEMBER, 2006.

(a) : Agricultural indebtedness is one of the major reasons for committing suicide by farmers.

(b)&(c) : The National Commission on Farmers headed by Dr. M.S. Swaminathan has, inter alia, recommended expansion of the outreach of the formal credit system, lowering of rate of interest on crop loan to 4%, restructuring of micro finance into livelihood finance and moratorium on debt recovery and waiver of interest on loan in distress hotspots and during calamities. The recommendations are under consideration of the Government.

(d) : No, Sir.

(e) : Does not arise.

(f) : No, Sir.

(g)&(h) : Do not arise.